

NEW HAVEN LEGAL ASSISTANCE ASSOCIATION, INC.

426 STATE STREET
NEW HAVEN, CONNECTICUT 06510
TELEPHONE: (203) 946-4811

TESTIMONY OF JAMES BHANDARY-ALEXANDER

New Haven Legal Assistance

Good afternoon, members of the Labor and Public Employees Committee, and thank you for the opportunity to testify today on Raised Bill No. 387, which would raise the minimum fair wage and index that wage to the rise in consumer prices. My name is James Bhandary-Alexander, and I am a staff attorney at New Haven Legal Assistance. New Haven Legal Assistance is the major legal services provider for the low-income communities of New Haven County, which includes the cities of New Haven, West Haven, and Milford, as well as the communities of the Lower Naugatuck Valley and part of the shoreline.

Our office represents low-income people on a range of legal problems in a range of different venues, from federal court to administrative hearings and at the legislature on matters of important policy like the minimum wage. The vast majority of people in our client community are engaged in low-wage work, and would benefit from the passage of this bill.

The appropriate level of the minimum fair wage is an issue of critical importance to our community. Raising Connecticut's minimum wage and indexing it to the rise in consumer prices will help Connecticut's low-wage workers catch up to the position they once enjoyed in our state. The minimum wage in 1968 was \$1.60 per/hour, which is \$10.58 in today's dollars.¹ The bill before you doesn't catch our communities up to where they were 45 years ago, but does close the gap significantly.

But raising the minimum fair wage is not just important to close the gap between where low-wage workers were decades ago and where they are now; but rather it is important to close the gap in today's workers' lives between dignity and indignity, between stability and instability, between bare survival and a decent life. Let's look at the facts of life in Connecticut today:

- 11% of Connecticut residents live in poverty and that number is increasing.²
- The bottom 20% of Connecticut income-earners earns only 4% of Connecticut's income.³
- Connecticut workers at the 90th percentile have seen average wages increase over 16 dollars per hour since 1979; workers at the 10th percentile gained just 17 cents. If two workers both worked 40 hours per week, 50 weeks per year, the 90th

¹ See <http://www.raisetheminimumwage.com/facts/entry/amount-with-inflation/>.

² Poverty, Median Income, and Health Insurance in Connecticut: Summary of 2011 American Community Survey Data, Connecticut Voices for Children, September 20, 2012, available at <http://www.ctvoices.org/sites/default/files/econ12censuspovertyacs.pdf>

³ Pulling Apart: Connecticut Income Inequality 1977 to the Present, Wade Gibson and Sara Kauffman, November 2012, available at <http://www.ctvoices.org/sites/default/files/econ12pullingapart.pdf>.

percentile wage-earner would have gained \$32,700; the 10th percentile earner, just \$340.⁴

- Since 1992, with the exception of one year, 2009, the price of prices of food, clothing, shelter, fuels, transportation fares, charges for doctors' and dentists' services, drugs and other goods and services that people buy for their day-to-day living has risen steadily.⁵

In other words, for low-wage workers, things have just been getting worse and worse and worse and the gap between bare survival and a decent life grown ever-wider. Their buying power has decreased and their selling power, the price of their labor, has remained stagnant. By linking the minimum fair wage to the consumer price index, we are in a position to at least hold the line, to keep the gap manageable.

And this is not about teenagers. I understand that the difference between \$8.25 per hour and \$9.50 per hour may not make a big difference in the life of a high school student from an affluent family who works at the local mall for pocket change or to learn life skills. And I understand that when we talk about raising the minimum wage, that may be what springs to mind. I will have failed if I don't disabuse you of that notion. The overwhelming majority of low-wage workers are adults: 77% of minimum wage workers are 20 or older. And these folks are usually not working at mom-and-pop stores, two thirds of them work in business with at least 100 workers and half of them work at businesses with more than 500 workers.⁶

I know who these people are because they are my clients. They are hard-working single moms who work in warehouses in Branford: tagging, labeling, and boxing clothes for large retailers. They are receptionists working thirty hours a week at minimum wage at medical offices in Hamden while trying to put themselves through community college classes. They are dishwashers in New Haven working long into the night and waking up early the next morning to work a second job, taking the bus both ways. They are clerks at pharmacies. They are janitors. They are sandwich makers. They are day laborers. They are building security guards.

We have to look at this issue from the point of view of the low-wage worker. Look out at the crowded restaurant from the back of the kitchen, look at the pharmacy from behind the counter, look at the office building from behind the security guard's desk, or from behind a broom. We know these folks work hard. We know that this work needs to be done. We do not want people doing this necessary work to fall further and further behind. We do not want people doing this necessary work to be behind on their rent, behind on their bills, constantly stressed, always struggling to catch up to rising prices.

The people of this state decided many years ago that there is a floor below which a working person cannot be allowed to fall. There are major cracks in the foundation. Let's fill them in. I urge you to pass this bill.

⁴ Id.

⁵ <http://www1.ctdol.state.ct.us/lmi/cpi.asp>

⁶ <http://jaredbernsteinblog.com/what-may-be-the-most-commonly-misunderstood-fact-about-the-job-market/>